

EXHIBIT B

Part 1

CERTIFICATION

I, Diane Houston, Underwriting Supervisor, EMC Property & Casualty Company, do hereby certify that the foregoing to which this certificate is attached is a true and correct copy of Policy 51H 91 90—03 with amendments, which policy was issued December 10, 2002 to Ollie Wadsworth.

IN WITNESS WHEREOF, I have hereunto set my hand this 9th day of January 2004.

EMC PROPERTY & CASUALTY COMPANY

By: *Diane Houston*
Underwriting Supervisor

EMC PROPERTY & CASUALTY COMPANY

RENEWAL

HOMEOWNERS DECLARATIONS

POLICY PERIOD FROM: 12/10/02
TO: 12/10/0312:01 A.M. Standard Time at the
Mailing Address of the Named Insured

NAMED INSURED AND MAILING ADDRESS:

AGENT: HS-0490-8

DIRECT BILL

OLLIE WADSWORTH
PO BOX 427
UNION SPRINGS AL 36089-0427THE WITHERINGTON INSURANCE GRP.
1200 ELBA HWY
PO BOX 448
TROY AL 36081-0448

AGENT PHONE: 334-566-1477

DEAR POLICYHOLDER,

PLEASE BE ADVISED OF THE FOLLOWING IMPORTANT NOTICE:

LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE
ADVISORY NOTICE TO POLICYHOLDERS (H08136 05/02)

THIS NOTICE DOES NOT PROVIDE COVERAGE NOR DOES THIS NOTICE REPLACE ANY PROVISIONS OF YOUR POLICY. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED WITH. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

The limited fungi, wet or dry rot, or bacteria coverage endorsement is attached to your policy:

- The amount of property insurance available for loss to your property caused by "fungi", wet or dry rot, or bacteria is reduced. Coverage is only provided for loss caused by "fungi", wet or dry rot, or bacteria if such "fungi", wet or dry rot, or bacteria is the result of a covered peril. "Fungi" are defined in the endorsement and include mold;
- Coverage is added for the testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot, or bacteria; and
- The amount of liability insurance available for injury or damage arising directly or indirectly out of "fungi", wet or dry rot, or bacteria is reduced.

SECTION I - PROPERTY COVERAGES

If "fungi", wet or dry rot, or bacteria results from a covered peril and damages your property, loss caused by such "fungi", wet or dry rot, or bacteria is covered. However, the amount of insurance available for such coverage is limited to the amount specified on the endorsement (or if not on the endorsement, the Declarations page of your policy.)

Coverage, up to the specified amount of insurance, includes:

1. The cost to remove fungi, wet or dry rot or bacteria from covered property;
2. The cost to tear out and replace any part of the building or other property as needed to gain access to the fungi, wet or dry rot or bacteria; and
3. The cost of testing of air or property to confirm the absence, presence or level of fungi, wet or dry rot, or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that fungi, wet or dry rot or bacteria is present.

NOTE: Coverage is available ONLY if loss or costs result from a Peril insured Against that occurs during the policy period.

CONTINUED

DATE OF ISSUE: 10/25/02
FORM HO7003A ED. 10/98

PLS ORIG: 12/10/99

RATE EFF: 12/10/02

504

SF

51H9190-03 01

EMC PROPERTY & CASUALTY COMPANY
OLLIE WADSWORTH

POLICY NUMBER: 51H-91-90---03
EFF. DATE: 12/10/02 EXP. DATE: 12/10/03

Our limit of liability

We will provide up to \$10,000 of coverage. This limit is the most we will pay for the total of all loss or costs payable regardless of the number of locations insured under your policy or the number of claims made.

SECTION II - LIABILITY COVERAGE

We have limited the amount of insurance available to you when a claim is made or a suit is brought against you by another person alleging damages because of bodily injury or property damage arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any fungi, wet or dry rot, or bacteria.

Previously, your liability coverage for damages caused by fungi, wet or dry rot, or bacteria was provided on an occurrence basis. The new limit of liability is provided on an aggregate basis. This means that the limit for liability coverage shown in the endorsement (\$50,000) is the most we will pay for all damages resulting from the total of all bodily injury or property damage, occurring during the entire policy period, that is a result of fungi, wet or dry rot, or bacteria. This aggregate limit is the most we will pay regardless of the number of locations insured under the policy, number of persons injured, number of persons whose property is damaged, number of insureds, or the number of occurrences or claims made against you.

EMC PROPERTY & CASUALTY COMPANY

POLICY NUMBER: 51H-91-90---03

RENEWAL

HOMEOWNERS DECLARATIONS

NAMED INSURED AND MAILING ADDRESS:

AGENT: HS-0490-8

DIRECT BILL

OLLIE WADSWORTH
 PO BOX 427
 UNION SPRINGS AL 36089-0427

THE WITHERINGTON INSURANCE GRP.
 1200 ELBA HWY
 PO BOX 448
 TROY AL 36081-0448

AGENT PHONE: 334-566-1477

LOCATION OF RESIDENCE PREMISES IS DIFFERENT FROM ABOVE - SEE ATTACHED

We will provide the insurance described in this policy in return for the premium and compliance with all applicable policy provisions.

Coverage is provided where a premium or limit of liability is shown.
 COVERAGES LIMIT OF LIABILITY

SECTION I	A. DWELLING	
	B. OTHER STRUCTURES	
	C. PERSONAL PROPERTY	
	D. LOSS OF USE	
SECTION II	E. PERSONAL LIABILITY-EACH OCCURRENCE	
	F. MEDICAL PAYMENTS TO OTHERS-EACH PERSON	

SECTION I COVERAGES HAVE BEEN INCREASED 3.6%.

DEDUCTIBLE: IN CASE OF A LOSS UNDER SECTION I, WE COVER ONLY THAT PART OF THE LOSS OVER FOR ALL PERILS.

*** THIS IS NOT A BILL ***
 YOUR BILL WILL BE MAILED SEPARATELY.

TOTAL POLICY PREMIUM \$

CREDITS: NEW/RENOVATED (), CONTINUOUS OCCUPANCY , PROTECTIVE DEVICE
 HIGHER DEDUCTIBLE ()

FORMS AND ENDORSEMENTS MADE PART OF THIS POLICY:

HO0416 (04/91), *HO0432 (05/02), HO0496 (04/91), HO0003 (04/91), HO0101 (09/00),
 HO7120 (06/92), HO7121 (06/94), HO7140 (01/95), HO7005 (06/94), HO7114 (01/91),
 *0405A HO7144 (04/95), *HO8136 (05/02),

REFER TO PRIOR DISTRIBUTION(S) FOR ANY FORMS AND ENDORSEMENTS NOT ATTACHED.

RATING INFORMATION: THIS IS A FRAME, PRIMARY RESIDENCE, BUILT IN 1906, AND OCCUPIED BY 1 FAMILY. IT IS 300 FEET FROM A HYDRANT, 1 MILE FROM A FIRE DEPARTMENT AND RATED IN TERRITORY 074, PROTECTION CLASS 07, COUNTY 060.

The address and telephone number of the servicing carrier is:
 EMC INSURANCE COMPANIES PHONE: (205) 987-1407
 P O BOX 1568
 BIRMINGHAM, AL 35201-1568

CONTINUED

DATE OF ISSUE: 10/25/02 COUNTERSIGNED BY: _____
 FORM HO7003A ED: 10/98 PLS ORIG: 12/10/99 RATE EFF: 12/10/02 504 SF 51H9190-03 01

EMC PROPERTY & CASUALTY COMPANY
OLLIE WADSWORTHPOLICY NUMBER: 51H-91-90---03
EFF. DATE: 12/10/02 EXP. DATE: 12/10/03

LOCATION OF RESIDENCE PREMISES

LOCATION DESCRIPTION

305 E. HARAWAY ST
UNIONSPRINGS, AL 36089

SPECIAL INTEREST(S)

The following persons or organizations also have an interest in the residence premises.
If we decide to cancel or not renew this policy, the parties named below will be
notified in writing.

FIRST MORTGAGEE
AMERIFIRST
P. O. BOX 570
UNION SPRINGS, AL 36089

SECTION II - OTHER INSURED LOCATION(S)

CONTINUED

EMC PROPERTY & CASUALTY COMPANY
OLLIE WADSWORTHPOLICY NUMBER: 51H-91-90---03
EFF. DATE: 12/10/02 EXP. DATE: 12/10/03

ENDORSEMENT SCHEDULE

FORM	ED. DATE	DESCRIPTION	LIMIT	PREMIUM
HO0003	(04/91)	HOMEOWNERS 3-SPECIAL FORM		
HO0101	(09/00)	SPECIAL PROVISIONS - ALABAMA		
HO7005	(06/94)	QUICK REFERENCE		
HO7140	(01/95)	LEAD EXCLUSION ENDORSEMENT		
HO7144	(04/95)	HOMEOWNERS EXTENSIONS OF COVERAGE		
HO8136	(05/02)	LIMITED FUNGI NOTICE TO POLICYHOLDER		
HO7120	(06/92)	REPL COST COVG FOR PERS PROPERTY		
HO0416	(04/91)	PREMISES ALARM/FIRE PROT SYSTEM - 5%		\$
HO7114	(01/91)	CRED CARD, FUND TRANS CARD, FORGERY & COUNTERFEIT MONEY COVG-INCR LIMIT	\$	
HO0496	(04/91)	NO SECT II-LIAB COVG FOR DAY CARE LIMITED SECT I PROP COVG, DAY CARE		
HO7121	(06/94)	REPL/REPAIR COST-COVG A-DWLG		
HO0432	(05/02)	LTD FUNGI, WET/DRY ROT, OR BACTERIA SEC I-PROPERTY COVG LIMIT OF LIAB SEC II-COVG E AGGRE SUBLIMIT OF LIAB	\$ \$	
0405A		PRIVACY NOTICE		

"READ YOUR POLICY CAREFULLY. This cover sheet provides only a brief outline of some of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth, in detail, the rights and obligations of both you and your insurance company. IT IS THEREFORE IMPORTANT THAT YOU READ YOUR POLICY CAREFULLY."

YOUR HOMEOWNERS POLICY
QUICK REFERENCE

SECTION I YOUR PROPERTY	DECLARATIONS PAGE Your Name Location of Your Residence Policy Period Coverages Amounts of Insurance Deductible	Beginning On The Pages Noted Below					
	For Policy Forms	HO0001	HO0002	HO0003	HO0004	HO0006	HO0008
	AGREEMENT	1	1	1	1	1	1
	DEFINITIONS	1	1	1	1	1	1
	COVERAGES	2	2	2	2	2	2
	Property Coverages						
	Loss of Use						
	Additional Coverages						
	PERILS INSURED AGAINST	5	6	6	6	6	5
	EXCLUSIONS	6	7	8	7	7	6
SECTION II YOUR LIABILITY	CONDITIONS	7	8	9	7	8	7
	COVERAGES	10	10	12	9	10	9
	Personal Liability						
	Medical Payments to Others						
	EXCLUSIONS	10	11	12	9	10	10
	ADDITIONAL COVERAGES	13	13	15	12	13	12
SECTION I and SECTION II	CONDITIONS	14	14	16	13	14	13
	CONDITIONS	15	15	17	14	15	14

HOMEOWNERS 3 SPECIAL FORM

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We," "us" and "our" refer to the Company providing this insurance. In addition, certain words and phrases are defined as follows:

1. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
2. "Business" includes trade, profession or occupation.
3. "Insured" means you and residents of your household who are:
 - a. Your relatives; or
 - b. Other persons under the age of 21 and in the care of any person named above.

Under Section II, "insured" also means:

- c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in 3.a. or 3.b. above. A person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner is not an "insured";
- d. With respect to any vehicle to which this policy applies:
 - (1) Persons while engaged in your employ or that of any person included in 3.a. or 3.b. above; or
 - (2) Other persons using the vehicle on an "insured location" with your consent.
4. "Insured location" means:
 - a. The "residence premises";
 - b. The part of other premises, other structures and grounds used by you as a residence and:
 - (1) Which is shown in the Declarations; or
 - (2) Which is acquired by you during the policy period for your use as a residence;

- c. Any premises used by you in connection with a premises in 4.a. and 4.b. above;
- d. Any part of a premises:
 - (1) Not owned by an "insured"; and
 - (2) Where an "insured" is temporarily residing;
- e. Vacant land, other than farm land, owned by or rented to an "insured";
- f. Land owned by or rented to an "insured" on which a one or two family dwelling is being built as a residence for an "insured";
- g. Individual or family cemetery plots or burial vaults of an "insured"; or
- h. Any part of a premises occasionally rented to an "insured" for other than "business" use.
5. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:
 - a. "Bodily injury"; or
 - b. "Property damage."
6. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.
7. "Residence employee" means:
 - a. An employee of an "insured" whose duties are related to the maintenance or use of the "residence premises," including household or domestic services; or
 - b. One who performs similar duties elsewhere not related to the "business" of an "insured."
8. "Residence premises" means:
 - a. The one family dwelling, other structures, and grounds; or
 - b. That part of any other building; where you reside and which is shown as the "residence premises" in the Declarations.

"Residence premises" also means a two family dwelling where you reside in at least one of the family units and which is shown as the "residence premises" in the Declarations.

HO 00 03 04 91

SECTION I - PROPERTY COVERAGES

COVERAGE A - Dwelling

We cover:

1. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling; and
2. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises."

This coverage does not apply to land, including land on which the dwelling is located.

COVERAGE B - Other Structures

We cover other structures on the "residence premises" set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection.

This coverage does not apply to land, including land on which the other structures are located.

We do not cover other structures:

1. Used in whole or in part for "business"; or
2. Rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

The limit of liability for this coverage will not be more than 10% of the limit of liability that applies to Coverage A. Use of this coverage does not reduce the Coverage A limit of liability.

COVERAGE C - Personal Property

We cover personal property owned or used by an "insured" while it is anywhere in the world. At your request, we will cover personal property owned by:

1. Others while the property is on the part of the "residence premises" occupied by an "insured";
2. A guest or a "residence employee," while the property is in any residence occupied by an "insured."

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises," is 10% of the limit of liability for Coverage C, or \$1000, whichever is greater. Personal property in a newly acquired principal residence is not subject to this limitation for the 30 days from the time you begin to move the property there.

Special Limits of Liability. These limits do not increase the Coverage C limit of liability. The special limit for each numbered category below is the total limit for each loss for all property in that category.

1. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins and medals.
2. \$1000 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.

3. \$1000 on watercraft, including their trailers, furnishings, equipment and outboard engines or motors.
4. \$1000 on trailers not used with watercraft.
5. \$1000 for loss by theft of jewelry, watches, furs, precious and semi-precious stones.
6. \$2000 for loss by theft of firearms.
7. \$2500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
8. \$2500 on property, on the "residence premises," used at any time or in any manner for any "business" purpose.
9. \$250 on property, away from the "residence premises," used at any time or in any manner for any "business" purpose. However, this limit does not apply to loss to adaptable electronic apparatus as described in Special Limits 10. and 11. below.
10. \$1000 for loss to electronic apparatus, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes:

- a. Accessories or antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus.

\$1000 for loss to electronic apparatus, while not in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus:

- a. Is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power;
- b. Is away from the "residence premises"; and
- c. Is used at any time or in any manner for any "business" purpose.

Electronic apparatus includes:

- a. Accessories and antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus.

Property Not Covered. We do not cover:

Articles separately described and specifically insured in this or other insurance;

Animals, birds or fish;

Motor vehicles or all other motorized land conveyances. This includes:

- a. Their equipment and accessories; or
- b. Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of motor vehicles or all other motorized land conveyances. Electronic apparatus includes:

(1) Accessories or antennas; or

(2) Tapes, wires, records, discs or other media; for use with any electronic apparatus.

The exclusion of property described in 3.a. and 3.b. above applies only while the property is in or upon the vehicle or conveyance.

We do cover vehicles or conveyances not subject to motor vehicle registration which are:

- a. Used to service an "insured's" residence; or
- b. Designed for assisting the handicapped;

Aircraft and parts. Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;

Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

Property in an apartment regularly rented or held for rental to others by an "insured," except as provided in Additional Coverages 10.;

Property rented or held for rental to others off the residence premises";

8. "Business" data, including such data stored in:

- a. Books of account, drawings or other paper records; or
- b. Electronic data processing tapes, wires, records, discs or other software media;

However, we do cover the cost of blank recording or storage media, and of pre-recorded computer programs available on the retail market; or

9. Credit cards or fund transfer cards except as provided in Additional Coverages 6.

COVERAGE D - Loss Of Use

The limit of liability for Coverage D is the total limit for all the coverages that follow.

1. If a loss covered under this Section makes that part of the "residence premises" where you reside not fit to live in, we cover, at your choice, either of the following. However, if the "residence premises" is not your principal place of residence, we will not provide the option under paragraph b. below.

a. **Additional Living Expense**, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living; or

b. **Fair Rental Value**, meaning the fair rental value of that part of the "residence premises" where you reside less any expenses that do not continue while the premises is not fit to live in.

Payment under a. or b. will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. If a loss covered under this Section makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the:

Fair Rental Value, meaning the fair rental value of that part of the "residence premises" rented to others or held for rental by you less any expenses that do not continue while the premises is not fit to live in.

Payment will be for the shortest time required to repair or replace that part of the premises rented or held for rental.

3. If a civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover the Additional Living Expense and Fair Rental Value loss as provided under 1. and 2. above for no more than two weeks.

HO 00 03 04 91

The periods of time under 1., 2. and 3. above are not limited by expiration of this policy.

We do not cover loss or expense due to cancellation of a lease or agreement.

ADDITIONAL COVERAGES

1. **Debris Removal.** We will pay your reasonable expense for the removal of:

- Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
- Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit of liability is available for debris removal expense.

We will also pay your reasonable expense, up to \$500, for the removal from the "residence premises" of:

- Your tree(s) felled by the peril of Windstorm or Hail;
- Your tree(s) felled by the peril of Weight of Ice, Snow or Sleet; or
- A neighbor's tree(s) felled by a Peril Insured Against under Coverage C;

provided the tree(s) damages a covered structure. The \$500 limit is the most we will pay in any one loss regardless of the number of fallen trees.

2. **Reasonable Repairs.** In the event that covered property is damaged by an applicable Peril Insured Against, we will pay the reasonable cost incurred by you for necessary measures taken solely to protect against further damage. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this policy and the damage to that property is caused by an applicable Peril Insured Against.

This coverage:

- Does not increase the limit of liability that applies to the covered property;
- Does not relieve you of your duties, in case of a loss to covered property, as set forth in SECTION I - CONDITION 2.d.

3. **Trees, Shrubs and Other Plants.** We cover trees, shrubs, plants or lawns on the "residence premises," for loss caused by the following Perils Insured Against: Fire or lightning, Explosion, Riot or civil commotion, Aircraft, Vehicles not owned or operated by a resident of the "residence premises," Vandalism or malicious mischief or Theft.

We will pay up to 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be available for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

4. **Fire Department Service Charge.** We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance. No deductible applies to this coverage.

5. **Property Removed.** We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed. This coverage does not change the limit of liability that applies to the property being removed.

6. **Credit Card, Fund Transfer Card, Forgery and Counterfeit Money.**

We will pay up to \$500 for:

- The legal obligation of an "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in an "insured's" name;
- Loss resulting from theft or unauthorized use of a fund transfer card used for deposit, withdrawal or transfer of funds, issued to or registered in an "insured's" name;
- Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and
- Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

We do not cover use of a credit card or fund transfer card:

- a. By a resident of your household;
- b. By a person who has been entrusted with either type of card; or
- c. If an "insured" has not complied with all terms and conditions under which the cards are issued.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

We do not cover loss arising out of "business" use or dishonesty of an "insured."

This coverage is additional insurance. No deductible applies to this coverage.

Defense:

- a. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
- b. If a suit is brought against an "insured" for liability under the Credit Card or Fund Transfer Card coverage, we will provide a defense at our expense by counsel of our choice.
- c. We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under the Forgery coverage.

Loss Assessment. We will pay up to \$1000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of direct loss to the property, owned by all members collectively, caused by a Peril Insured Against under COVERAGE A - DWELLING, other than earthquake or land shock waves or tremors before, during or after a volcanic eruption.

This coverage applies only to loss assessments charged against you as owner or tenant of the "residence premises."

We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.

The limit of \$1000 is the most we will pay with respect to any one loss, regardless of the number of assessments.

Condition 1. Policy Period, under SECTIONS I AND II CONDITIONS, does not apply to this coverage.

8. Collapse. We insure for direct physical loss to covered property involving collapse of a building or any part of a building caused only by one or more of the following:

- a. Perils Insured Against in COVERAGE C - PERSONAL PROPERTY. These perils apply to covered buildings and personal property for loss insured by this additional coverage;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of contents, equipment, animals or people;
- e. Weight of rain which collects on a roof; or
- f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items b., c., d., e., and f. unless the loss is a direct result of the collapse of a building.

Collapse does not include settling, cracking, shrinking, bulging or expansion.

This coverage does not increase the limit of liability applying to the damaged covered property.

9. Glass or Safety Glazing Material.

We cover:

- a. The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window; and
- b. Damage to covered property by glass or safety glazing material which is part of a building, storm door or storm window.

This coverage does not include loss on the "residence premises" if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

Loss for damage to glass will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

This coverage does not increase the limit of liability that applies to the damaged property.

HO 00 03 04 91

10. Landlord's Furnishings. We will pay up to \$2500 for your appliances, carpeting and other household furnishings, in an apartment on the "residence premises" regularly rented or held for rental to others by an "insured," for loss caused only by the following Perils Insured Against:

- a. Fire or lightning.
- b. Windstorm or hail.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

- c. Explosion.
- d. Riot or civil commotion.
- e. Aircraft, including self-propelled missiles and spacecraft.
- f. Vehicles.
- g. Smoke, meaning sudden and accidental damage from smoke.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

- h. Vandalism or malicious mischief.
- i. Falling objects.

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

- j. Weight of ice, snow or sleet which causes damage to property contained in a building.
- k. Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

This peril does not include loss on the system

- (1) To the system or appliance from which the water or steam escaped;
- (2) Caused by or resulting from freezing except as provided in the peril of freezing below; or
- (3) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises."

In this peril, a plumbing system does not include a sump, sump pump or related equipment.

- l. Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

- m. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance.

This peril does not include loss on the "residence premises" while the dwelling is unoccupied, unless you have used reasonable care to:

- (1) Maintain heat in the building; or
- (2) Shut off the water supply and drain the system and appliances of water.

- n. Sudden and accidental damage from artificially generated electrical current.

This peril does not include loss to a tube, transistor or similar electronic component.

- o. Volcanic eruption other than loss caused by earthquake, land shock waves or tremors.

The \$2500 limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

SECTION I - PERILS INSURED AGAINST

COVERAGE A - DWELLING and COVERAGE B - OTHER STRUCTURES

We insure against risk of direct loss to property described in Coverages A and B only if that loss is a physical loss to property. We do not insure, however, for loss:

- 1. Involving collapse, other than as provided in Additional Coverage 8.;
- 2. Caused by: